

March 23, 2006

Paul McIntosh Denali Commission 510 L Street, Suite 410 Anchorage, AK 99501

Dear Mr. McIntosh

In follow-up to our discussion with you on March 20, First Alaskans Institute requests a modification to the work plan associated with the Denali Commission Grant, project number 195-05. The proposed modification reflects changes in how FAI intends to implement the project and does not change the scope of work. The work plan modification includes revisions to the budget, internal staffing plan and timeline. FAI believes these changes will benefit the overall project and product.

First Alaskans Institute proposes the following budget revision which would result in a net zero effect on the overall funding request.

	Approved Total Budget	Change	Revised Total Budget
Project Staff and Fringe	\$198,458	(\$119,255)	\$ 79,203
Contractual	\$ 25,000	\$ 116,825	\$ 141,825
Other Project	<u>\$ 26,542</u>	<u>\$ 2430</u>	<u>\$ 28,972</u>
Expenses Total Grant Expenditures	\$250,000	<u>\$</u> 0	\$ 250,000
Total First Alaskans	<u>\$ 58,595</u>	<u>\$</u> 0	\$ 58,595
In-kind Contribution Total Project Costs	<u>\$308,595</u>	<u>\$ 0</u>	<u>\$ 308,595</u>

These changes will result in an increased ability to engage the participation and advice of expertise in the fields of economic development and poverty in order to develop a system of measures that link economic growth to poverty reduction. To accomplish this objective, the timeline for phase one (research and outreach to communities) will be extended through December 2006. Consequently, the testing of the system will be shortened to seven months, beginning in January, 2007 through July, 2007.

We respectfully request written approval of this request. Thank you for your time and consideration. Should you have any questions, comments or concerns, please contact me at greta@firstalaskans.org or (907) 677-1700.

Sincerely,

Greta L. Goto, Sr. VP and Director

Alaska Native Policy Center

First Alaskans Institute

Cc: Joey Ausel